

SENATE FINANCE COMMITTEE

March 24, 2021

9:01 a.m.

9:01:00 AM

CALL TO ORDER

Co-Chair Stedman called the Senate Finance Committee meeting to order at 9:01 a.m.

MEMBERS PRESENT

Senator Click Bishop, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Lyman Hoffman
Senator Donny Olson
Senator Natasha von Imhof
Senator Bill Wielechowski
Senator David Wilson

MEMBERS ABSENT

None

ALSO PRESENT

Erin Shine, Staff, Senator Click Bishop; Senator Lora Reinbold; Senator Tom Begich.

PRESENT VIA TELECONFERENCE

Bill O'Leary, President and CEO, Alaska Railroad; Barbara Amy, Chief Financial Officer, Alaska Railroad; Adam Crum, Commissioner, Department of Health and Social Services, Anchorage; Heidi Hedberg, Director of the Division of Public Health, Anchorage; Albert Wall, Deputy Commissioner, Department of Health and Social Services, Juneau.

SUMMARY

SB 19 EXTEND SPECIAL EDUCATION SERVICE AGENCY

CSSB 19 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one new

fiscal note from the Department of Education and Early Development.

SB 56 EXTENDING COVID 19 DISASTER EMERGENCY

SB 56 was HEARD and HELD in committee for further consideration.

^ALASKA RAILROAD, UPDATE and COVID FUNDING SYNOPSIS

9:03:00 AM

BILL O'LEARY, PRESIDENT AND CEO, ALASKA RAILROAD (via teleconference), discussed the presentation, "Weathering the Storm" (copy on file). Mr. O'Leary looked at slide 2, "Safety Minute." He stressed that safety was taken seriously, and remarked that their mission statement was "Safety, Service, and Profitability." He noted that the success of those first two points of the statement would impact the third point of the statement. He noted that every three hours or so there were safety issues within the country related to trains and vehicles.

9:05:02 AM

Mr. O'Leary pointed to slide 3, "Safety Minute." He remarked that the slide displayed local pictures of individuals doing extremely dangerous activities on the train tracks. He noted that fifteen people had died since the transfer of the railroad to federal ownership in 1985.

Mr. O'Leary displayed slide 4, "Quick Facts":

Organization (following State Purchase"

Independent corporation owned by State

Managed by a seven-member board of directors appointed by Governor

Mandated to be self-sustaining, responsible for financial and legal obligations

Operating Data

656 Total miles of track

748 Freight cars (owned and leased)

45 Passenger cars

51 Locomotives

2020 Operating Statistics

32,059 passengers
2.6 million tons of freight

Employees (January 2021)
583 full-time year-round employees
390 members of 5 unions

9:12:01 AM

Mr. O'Leary addressed slide 5, "Passenger Operations." He noted that the bar graph showed the two different types of passenger revenue. He remarked that the guests that rode on the Alaska Railroad coaches were shown in the dark blue; and guests that rode in coaches that were pulled by Alaska Railroad locomotives were shown in gold. He explained that the cruise lines and a number of other partners owned some cars that operated on the system. He noted the growth curve over the last nine years, but down more than 90 percent in 2020. He stated that no cruise lines operated in the Southcentral Alaska in 2020.

Mr. O'Leary looked at slide 6, "2021 Summer Passenger Operations."

Coastal Classic Train
Anchorage - Seward
May 29 - Sept. 2021: Daily roundtrip service

Glacier Discovery Train
Anchorage - Girdwood - Whittier - Portage -
Spencer
May 29 - June 4, 2021: Daily roundtrip service
Anchorage - Girdwood - Whittier - Portage -
Spencer - Grandview
June 5 - Sept 6, 2021: Daily roundtrip service

Denali Star Train
Anchorage - Wasilla - Talkeetna - Denali -
Fairbanks
May 29 - Sept 5, 2021
Northbound: Sunday, Tuesday, Thursday, Saturday
Southbound: Sunday, Monday, Wednesday, Friday
Combined with Hurricane Turn Flagstop service

9:15:27 AM

Senator Wielechowski queried the status of the railroad depot at the airport in Anchorage.

Mr. O'Leary replied that the railroad depot was owned by the Alaska Railroad. He stated that it was used primarily in the summer months when there was cruise activity. He noted that it did not see much active use over the last year.

Senator Wielechowski queried the status of commuter service between Anchorage and the Mat-Su.

Mr. O'Leary replied that there had been a number of analyses and studies looking at commuter service. He explained that it was clear that it required a significant subsidy. He noted that was the case for every commuter operation. He stated that, given the current financial situation, there was not a moving forward of that initiative.

Senator Olson queried the number of accidents since the last presentation to the committee.

Mr. O'Leary replied that there was one fatality since the last presentation. He stressed that there was not an issue with people crossing the tracks. He reiterated that people should cross the tracks quickly, and not linger on or about the tracks.

Mr. O'Leary discussed slide 7, "Freight Operations." The slide represented the freight tonnage over the last ten years, based on the commodities hauled. He noted the demise of export coal, which peaked out at 1.2 million metric tons in 2011, and then nothing since 2016. He pointed to the bottom line, which was the petroleum haul. He remarked that, other than a gravel haul in 2019, there were significant hauling decreases. He remarked that due to primarily to the pandemic, there was a continued downward spiral.

[9:20:30 AM](#)

Mr. O'Leary pointed to slide 8, "Petroleum Shipments." He noted that the slide showed the change in petroleum shipments on a gallons basis. He remarked that there was an impact on the petroleum shipments after the closure of the Flint Hills refinery. He remarked that there was a slight

increase in 2020 due to the addition of PetroStar moving to a rail operation. He noted that the slight increase did not meet the expectations.

Mr. O'Leary looked at slide 9, "Employee Reductions." He remarked that the largest expense was related to personnel. He stated that there were significant reductions in the last ten years, as a result in the drop in business. He remarked that at one point there were almost 1000 employees, but currently there were just under 600 year-round employees.

[9:22:21 AM](#)

BARBARA AMY, CHIEF FINANCIAL OFFICER, ALASKA RAILROAD (via teleconference), addressed slide 10, "The Bottom Line." She stated the net income expectation for 2020 was \$22 million, but noted that the graph showed the impact of the pandemic on that expectation. The left graph showed that there was an expected loss of \$7.6 million on operations. She noted that the bottom right graph also showed the working capital, which showed impacts of a reduction from \$112 million to \$55 million.

Co-Chair Stedman requested the statement of cashflows.

Ms. Amy agreed to provide that information.

Ms. Amy discussed slide 11, "Five Year Capital Plan - Funding Sources":

Other sources of funds may be added to the Fund Source list during the 5 - year period as they become available for large projects

Debt Financing may also be considered for certain needs that lend themselves well to debt financing, such as replacement of vehicles, equipment, and rail cars

[9:25:17 AM](#)

Co-Chair Bishop wondered whether the Nenana was scheduled for repainting in the 2022 budget request.

Ms. Amy agreed to provide that information.

Co-Chair Stedman requested that the information be included in the cash flow statement, and incorporated into the current slide.

Senator von Imhof looked at "Estimated Funds from Internal Cash Flow", and queried the source of the funds and how they were increased over time.

Ms. Amy replied that the slide showed the expectation of a conservative view of the next five years. She remarked that there was an expectation that it would take several years to recover to a level from 2019.

Senator von Imhof surmised that by 2023 the expectation would be met, but would not grow in 2024 and 2025.

Ms. Amy replied that the slide 10 was net income, and slide 11 was cash flow, which was more than net income. She stated that there was more detail upcoming about the Coronavirus Aid, Relief, and Economic Security (CARES) Act funds, but shared that some of the holes would be filled with these funds.

Co-Chair Stedman queried the sources of the cash flow increments.

Ms. Amy replied that the cash flows were directly from the forecast of the income statement. She stated that every year, in the fall, there was a five-year operating and capital plan for the board to review.

Co-Chair Stedman asked for a performance balance sheet and income statement to help with clarification.

Senator Hoffman queried the fiscal year. He wondered whether it was June through July or on a calendar year basis.

Ms. Amy replied that the calendar year was the fiscal year, so it ended on December 31.

[9:29:13 AM](#)

Ms. Amy looked at slide 12, "Five Year Capital Plan - CARES Act Funds." She remarked that the slide showed the intention of use for the CARES funds.

Mr. O'Leary displayed slide 13, "Seward Passenger and Freight Docks."

Passenger Dock

- Built in 1966
- Usable to 2024/2025
- Maintenance \$500K - \$1 million/year
- 200,000+ visitors in 2019
- 96 Berth Days, 14 Double Days
- \$60+ million replacement cost

Freight Dock

- \$19.8 Million Federal PIDP Grant
- 25 percent ARRC Match
- Lengthen to accommodate longer/multiple ships

Mr. O'Leary highlighted slide 14, "Positive Train Control":

Federally Mandated Safety Program

Met December 2020 Deadline

\$176 Million Installation Costs

- \$34 Million from SOA

- \$10 - \$12 Million in On-Going Annual Costs

Mr. O'Leary looked at slide 15, "Interline Barge Service":

Supplies for North Slope

- Seattle to Whittier

- Longest Rail-Haul in North America

 - Alaska Railroad from Seattle to Fairbanks - 1815 Miles

 - Interline service from Panama City; Florida to Fairbanks - 4842 Miles

Mr. O'Leary addressed slide 16, "Recent Land Sales":

Tri-Valley Subdivision

- Otto Lake

- Chena Landings

- Port of Alaska, Anchorage

- Neighborworks

- Whittier Manor

Mr. O'Leary discussed slide 17, "Ship Creek Development":

- Edge Condominiums

- 49th State Brewery

Knik Arm Power Plant

9:35:10 AM

Mr. O'Leary pointed to slide 18, "Wetlands Mitigation Bank":

- 250 Acres of Wetlands in Portage
- 149 Credits
- Reduce construction expenses for ARRC and other agencies such as DOT
- 3 years to develop

Co-Chair Stedman felt there should be a discussion with the Department of Natural Resources (DNR). He remarked that there had been discussions about whether the state should have its own mitigation bank.

Mr. O'Leary addressed slide 19, "Alaska to Alberta":

- Signed agreement with A2A
- 460 process
- Presidential Permit

Senator Wilson asked who owned the A2A program, and wondered whether the A2A program needed additional legislative action.

Mr. O'Leary replied that the program was a privately funded activity.

Co-Chair Stedman stressed that the A2A subject would be discussion at a future date.

Mr. O'Leary looked at slide 20, "Gearing up for 2021."

- Despite challenges, the Railroad will continue moving forward
- Critical piece of transportation infrastructure in a state woefully lacking in such infrastructure

- Almost all large development projects in Alaska will need the Railroad
- Gasline variations
- Mining

Alaska needs a strong Alaska Railroad

Mr. O'Leary discussed slide 21, "ARRC Centennial - 2023." He stated that there was a hope to have a celebration of the centennial.

Co-Chair Stedman thanked the presenters.

[9:39:38 AM](#)

AT EASE

[9:42:30 AM](#)

RECONVENED

Co-Chair Stedman handed the gavel to Co-Chair Bishop.

#sb19

SENATE BILL NO. 19

"An Act extending the special education service agency; and providing for an effective date."

[9:42:30 AM](#)

Senator Wilson MOVED to ADOPT the committee substitute for SB 19, Work Draft 32-LS0201\I (Fisher, 3/23/21).

Co-Chair Bishop OBJECTED for discussion.

[9:43:24 AM](#)

ERIN SHINE, STAFF, SENATOR CLICK BISHOP, discussed the Explanation of Changes (copy on file):

Updates Title

Adds a new Section 1 to increase the funding multiplier for the Special Education Service Agency from \$18.65 to \$23.13.

Adds Section 4 to provide an effective date of July 1, 2021 for Section 1.

All other changes are technical and conforming.

Co-Chair Bishop WITHDREW the OBJECTION. There being NO OBJECTION, the proposed committee substitute was ADOPTED.

Senator Wielechowski discussed the fiscal note.

[9:45:35 AM](#)

Co-Chair Bishop clarified that that the funds were unrestricted general funds.

Senator Wilson MOVED to report CSSB 19(FIN) out of Committee with individual recommendations and the accompanying new fiscal note from the Department of Education and Early Development. There being NO OBJECTION, it was so ordered.

CSSB 19 (FIN) was REPORTED out of committee with a "do pass" recommendation and with one new fiscal note from the Department of Education and Early Development.

[9:46:08 AM](#)

AT EASE

[9:48:41 AM](#)

RECONVENED

#sb56

SENATE BILL NO. 56

"An Act extending the January 15, 2021, governor's declaration of a public health disaster emergency in response to the novel coronavirus disease (COVID-19) pandemic; providing for a financing plan; making temporary changes to state law in response to the COVID-19 outbreak in the following areas: occupational and professional licensing, practice, and billing; telehealth; fingerprinting requirements for health care providers; charitable gaming and online ticket sales; access to federal stabilization funds; wills; unfair or deceptive trade practices; and meetings of shareholders; and providing for an effective date."

[9:50:05 AM](#)

ADAM CRUM, COMMISSIONER, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, ANCHORAGE (via teleconference), read from a prepared statement:

SB 56 was introduced by the Governor on January 25 - after issuing a declaration of a public health disaster emergency in response to the COVID-19 pandemic on January 15.

1. This was done pursuant to AS 26.23.020 and AS 26.23.025
2. Generally - these statutes provide that a disaster proclamation may not remain in effect longer than 30 days, unless extended by the Legislature.
3. The Governor brought forth bills for the Legislature to consider extending the declaration.
4. However, absent legislative action and pursuant to AS 26.23.020, the Public Health Disaster Emergency expired on February 14.

In the time leading up to the February 14 expiration:

1. The Administration evaluated the current COVID-19 response plan - which includes elements which you are all familiar with, such as:
 - a. widespread testing
 - b. supporting non-congregate housing for certain groups of individuals who need to quarantine or isolate
 - c. providing alternative care sites, procurement of PPE and testing supplies
 - d. guidelines for critical infrastructure work force and employers, and
 - e. vaccine allocation, distribution, and administration.
2. The Administration evaluated what we needed to do to keep Alaska in the top tiers, nationwide, for safety, testing, and vaccine distribution. We evaluated what would be necessary for the next month, the next 3 months, and the next 6 months.
3. We evaluated what tools were necessary to continue our response efforts - this involved looking at regulations previously waived, authorities that are provided for under the Alaska Disaster Act and the current statutory authority under the Alaska Public Health Emergency.

4. We met extensively with our response partners - federal agencies, local governments, health care providers, tribal health entities, health care facilities, associations - to discuss operations and response efforts by the state, if the Disaster Declaration was not extended.

As part of our evaluative process - we looked closely at the authorities that are available to the Governor under the Alaska Disaster Declaration Act.

I would like to review the authorities under the Alaska Disaster Act -

AS 26.23.020 (b)

The governor may issue orders, proclamations, and regulations necessary to carry out the purposes of the Disaster Act.

- used to allow state agencies to be nimble and flexible in response to the public health emergency and disaster;
- provided protections for the spread of the disease by establishing guidelines for travel into Alaska, around Alaska, and for our critical infrastructure workforce

AS 26.23.020 (e)

A proclamation of a disaster emergency activates the disaster response and recovery aspects of the state, local, and interjurisdictional disaster emergency plans

- used to allow the Unified Command structure to support local jurisdictions, statewide healthcare system and statewide response to the pandemic.
- Allowed for the establishment of alternative care sites, including outpatient therapeutic treatment centers.
- Allowed for the state to coordinate the use of supplies and materials.

AS 26.23.020 (f)

The governor may delegate or assign command authority for the National Guard by appropriate orders or regulations.

- allowed us to utilize the National Guard for response purposes, such as contact tracing, testing and logistical support

AS 26.23.020 (g) - there are a lot of authorities under this section of the Alaska Disaster Act - the primary ones that were used -

26.23.020 (g)(1) suspend the provisions of regulations or statutes if compliance would prevent, or substantially impede or delay, action necessary to cope with the disaster emergency - We use this statute for:

- Emergency procurement of commodities/supplies for hospitals, health clinics, providers, communities.
- Emergency procurement for contracts for additional cold-chain shippers
- Emergency procurement for contracts for testing and supplies
- Hiring of temporary personnel to support public health response plans - contact tracers, public health nurses, microbiologists, support for data systems, etc.
- Allowed for increased flexibility in how we care for and provide services to our most vulnerable populations in congregate settings and facilities.

[9:54:58 AM](#)

Commissioner Crum continued to read from his statement:

26.23.020(g)(7) control ingress to and egress from a disaster area, the movement of persons within the area, and the occupancy of premises in it;

- this is the authority that was used to implement pre-travel testing requirements for travel into Alaska and to communities off of the road system and on the Alaska Marine Highway System

26.23.020(g)(9) make provisions for the availability and use of temporary emergency housing;

- this was used for non-congregate housing for homeless, for travelers that arrived in Alaska and tested positive, for health care workers

26.23.020(g)(10) allocate or redistribute food, water, fuel, clothing, medicine, or supplies;

- this is the authority that was used for PPE, testing supplies, vaccine and therapeutic treatments.

Other Authorities under AS 26.23.020 (g) - that we did not use at all - such as

- Use all available resources of the state government and of each political subdivision of the state as reasonably necessary;
- Commandeer or utilize any private property
- Suspend or limit the sale, dispensing, or transportation of alcoholic beverages, explosives or combustibles
- Use money from the oil and hazardous substance release response account to respond to a disaster related to an oil or hazardous substance discharge.

In Summary of These Authorities:

1. We asked ourselves - how does Alaska proceed to a "recovery phase" - moving beyond "Disaster" and "Emergency" - can we take a more limited approach that provides us the tools that we need to keep Alaska's public health response plan as one of the best in the nation - and that also supports our state improving in economic metrics.
2. Through our evaluative process, we realized we don't need all of the authorities available under the Alaska Disaster Act to keep Alaska's public health response plan as one of the best in the nation.
3. We think that there is room to utilize a more limited, or targeted approach vs. a blanket approach that the disaster declaration provides - by using uncodified law to establish the authorities that we need - that are important for our response plan - and for a limited period of time.

Commissioner Crum stated that Alaska ranked in the top tier in the country as it pertained to public health and safety, especially as it pertained to COVID-19 testing. He emphasized the high number of tests conducted in the state, with a very rapid turnaround in the state. He noted that

case counts had plateaued since March 2020. He also remarked that the number of COVID-19 hospital patients was currently low. He stressed that it was a much different situation than in the winter of 2020. He also noted that approximately 29.6 percent of Alaskans 16 or older were currently vaccinated against COVID-19.

10:00:26 AM

Commissioner Crum stressed that Governor Dunleavy had opened the vaccination availability for those 65 and older, because COVID-19 hospitalizations and deaths were highest for that age group. He noted that there would be many additional vaccination doses arriving in the coming weeks. He announced the combination of these things resulted in the conclusion that a disaster declaration was unnecessary. He continued to read from his prepared statement:

We concluded we needed limited authorities to support four elements of the state's response:

1. The ability to allocate and distribute vaccines and therapeutics
2. Limited immunity for officials performing their duties related to the state's response plan
3. The continued use of enhanced telehealth services
4. Necessary authority accessing federal relief funding as they pertain to the state's continued response and nexus to the federal public health emergency and major disaster declaration - which includes EA SNAP benefits, blanket waivers in place due to the federal public health emergency, FEMA support for non-congregate housing supported by DMVA.

10:05:41 AM

Commissioner Crum continued with his testimony:

We understand the sensitivity of using the Disaster Declaration and a Public Health Emergency to provide such broad authority.

We understand the need to progress to a "recovery phase" for Alaska - but also have the tools that we need to respond if things change - such as the entry of variants. Which we are watching closely.

It is possible to allow the appropriate authorities to the Department of Health and Social Services and the Department of Military and Veterans Affairs to continue the state's response plan without providing the overbroad authority of a public health emergency disaster declaration under the Alaska Disaster Declaration Act.

Senator Wielechowski wondered how many other states had current disaster declarations.

Commissioner Crum replied that all the states except for Michigan and Alaska had current disaster declarations.

Senator Wielechowski surmised that 48 states did not have disaster declarations.

Commissioner Crum agreed.

10:10:00 AM

Senator Wielechowski looked at the definition of "disaster declaration" in statute and noted that it was defined as the "occurrence or imminent threat of widespread damage, injury, or loss of life or shortage of food, water, or fuel." He noted that Section E mentioned, "an outbreak of disease or credible threat of an imminent outbreak of a disease." He wondered whether the current pandemic met those criteria.

Commissioner Crum replied that he did not believe that, in Alaska, the threat had not risen to a level of a disaster declaration currently, because of the tools and infrastructure implementation and availability.

Senator Wielechowski noted that the definition of disaster declaration included "the occurrence or imminent threat of widespread or severe damage, injury, loss of life from an outbreak of disease." He wondered whether Commissioner Crum believed that the current pandemic did not meet that statutory definition of "disaster."

Commissioner Crum replied in the affirmative.

Senator Hoffman looked at the letter from DHSS, which stated that there was a discussion of the extension of the health disaster emergency from January 15, 2021, to March

15, 2022. He remarked that there was also a letter from the governor dated January 1, which stated that the bill would extend the health disaster period to September 30, 2021, and left it open ended or until the outbreak no longer exists. He wondered where in the bill it delineated how long the disaster emergency period exists.

Commissioner Crum replied that the Health and Social Services subcommittee changed the date from September to March.

Senator Hoffman wondered where the appropriation would be targeting. He asked whether it was the full funding or whether bill authorized expenditure from President Biden's federal appropriation.

Commissioner Crum replied that the bill would only deal with the past aspects of the financial plan, but deferred to OMB for the current plans of the Alaska Recovery Plan that was passed on the federal level.

[10:15:44 AM](#)

Senator Hoffman wondered when there was an expectation of the request to expend the Biden administration's Covid funds before the committee.

Commissioner Crum replied that he did not know the official timeline, but stated that DHSS was working to ensure that there was a thorough understanding of what dollars and rules were coming in through programs administers by DHSS. He deferred to OMB about the timing of the presentation to the committee.

Senator Hoffman commented that the discussion was about the health of the Alaskan people. He felt that an expeditious request meant that there could be time to give it due consideration for appropriation. He felt that expedience was required to assure that the people were protected as early as possible, and hoped there could be more information from the administration.

Co-Chair Bishop commented that the conversation would continue on the upcoming Friday.

Senator Hoffman wondered whether there was satisfaction with the change made in the Senate Labor and Commerce

subcommittee for the March 15 extension, and whether there were comments on the original request of the September 30 deadline.

Commissioner Crum replied that a further timeframe beyond March would be beneficial for his department.

10:19:46 AM

HEIDI HEDBERG, DIRECTOR OF THE DIVISION OF PUBLIC HEALTH, ANCHORAGE (via teleconference), furthered that there was a current focus of vaccine confidence. She remarked that vaccine was still a scarce resource. She shared that the federal government was allocating to the states based on state population. She remarked that Alaska was mimicking that distribution within the state, and distributed the vaccines based on the census area. She noted that the department was working on vaccine confidence and education of Alaskans related to the science of vaccines. She stressed that there was limited authority needed to allocate by population.

10:20:37 AM

Senator Wielechowski looked at page 3, line 28 of the bill said that "if the commissioner of Health and Social Services certifies to the governor that there was no longer a current outbreak of novel coronavirus, Covid-19 or credible threat of imminent outbreak, the governor shall issue a proclamation of public health disaster emergency no longer exists." He wondered whether there Commissioner Crum had certified to the governor that there was no longer a credible threat of outbreak of novel coronavirus.

Commissioner Crum replied that he understood that phrasing to be about whether there was current disaster declaration in place, then he would need to provide certification.

Senator Wielechowski wondered whether Commissioner Crum believed that there was no longer and outbreak of the novel coronavirus.

Commissioner Crum replied that there were current ongoing outbreaks, but they were not to the level needed for a disaster declaration.

Senator Wielechowski queried the level at which there would be a determination of a disaster declaration.

Commissioner Crum replied that there were many factors and a metric that would require that determination of a disaster declaration.

Co-Chair Bishop surmised that, to date, there was a 29.6 percent of 16 and older vaccinated in the state.

Commissioner Crum agreed.

Co-Chair Bishop stated that there was approximately 70 percent of those 65-years-old and older vaccinated in the state.

Commissioner Crum agreed.

Co-Chair Bishop announced that there was a dosage expectation in April of approximately 143,000.

Commissioner Crum agreed.

Co-Chair Bishop stated that 372,000 people had been vaccinated with at least the first dose to date.

Commissioner Crum agreed.

Co-Chair Bishop queried the state's estimate at reaching herd immunity.

Commissioner Crum replied that the primary goal was making sure that the vaccine was available for Alaskans that wanted to take the vaccine. He stated that there was an anticipation of enough doses in the state for Alaskans that wanted to receive the vaccine by April

[10:25:42 AM](#)

Senator Wilson remarked that there was a concern about the legality of a "vaccine passport program" within businesses and conditions of employment. He asked for information about that issue.

Commissioner Crum replied that the Department of Law would be better suited to answer that concern.

Co-Chair Bishop stated that there was not.

Commissioner Crum agreed to provide that information.

Co-Chair Bishop wondered whether there was a deadline for the legislature to have a bill passed to be eligible for the April enhanced SNAP benefits.

Commissioner Crum replied that if there was a bill passed in the legislature that allowed for DHSS to apply for SNAP benefits any time in the month of April, then there would be distribution of the April benefits.

Co-Chair Bishop wondered whether there was any guidance from the federal government about the date of repealing the SNAP program.

Commissioner Crum replied that it was subject to available funding, and tied to the Federal Public Health Emergency.

Co-Chair Bishop wondered whether there had been official approval from the Food and Nutrition Services that the approach was sufficient to receive the \$8 million benefits.

Commissioner Crum replied in the affirmative, and there was an acceptance of language applied to an authorities bill in Covid response.

[10:28:31 AM](#)

ALBERT WALL, DEPUTY COMMISSIONER, DEPARTMENT OF HEALTH AND SOCIAL SERVICES, JUNEAU (via teleconference), asked for a restatement of the question.

Co-Chair Bishop wondered whether there was any official approval from the Food and Nutrition Services that the approach that was requested was sufficient to receive the enhanced \$8 million SNAP benefits.

Mr. Wall replied that there was work with the regional director for the purpose. The communication from him had been by email and verbally that should the state define the emergency and apply with the emergency in mind, then the money could move forward.

[10:29:32 AM](#)

Senator Wielechowski asked whether individuals could be denied SNAP benefits and when that would occur.

Commissioner Crum replied that because the allotment was outside the typical program, those funds would be coming into the state mid-month so there was a manual process to update those funds.

Senator Wielechowski asked about timing of passing legislation to save the delaying of benefits.

Commissioner Crum replied that he believed passing legislation by the second week of April would not delay the benefits.

Mr. Wall said that regular benefits would continue as usual. Emergency allotments would be disrupted, but could be retroactive.

Co-Chair Bishop asked for an average SNAP benefit monthly stipend vs the emergency level.

Co-Chair Bishop queried the average monthly SNAP benefit amount.

Mr. Wall replied that there was a widespread dollar amount that depended on the need of individual or family. He agreed to provide that information.

Senator Wielechowski wondered how many Alaskans were eligible for the enhanced SNAP benefits for the month of April.

Mr. Wall agreed to provide that information.

Senator Wielechowski wondered when a bill would need to be passed in order to not delay funds reaching Alaskans.

Mr. Wall replied that it should be passed any day in April.

Senator Wielechowski wondered when the enhanced SNAP benefits would be paid in the month of April.

Mr. Wall replied that the benefits were a rolling day, and agreed to provide that information. He stated that the supplemental payment did not all go out on the same day.

10:35:20 AM

Senator Wilson stressed that retroactive payments would not feed a person daily. He wondered whether any of the enhanced benefits recipients been notified that their benefits were at risk so they could properly prepare their families.

Mr. Wall replied that they had not been specifically notified, but remarked that they had been informed that it was a month-to-month program that was subject to availability.

Senator von Imhof noted that there were discussions on this issue in subcommittee. She remarked that a person's situation could change over time. She felt that the economy was opening back up, so the qualifications for the SNAP funds may not reflect the actual need.

Senator Wielechowski stressed that receiving the benefit was a critical component of receiving food for people. He felt that the bill needed to be passed as soon as possible.

Co-Chair Bishop discussed the following day's agenda.

SB 56 was HEARD and HELD in committee for further consideration.

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ADJOURNMENT

10:39:46 AM

The meeting was adjourned at 10:39 a.m.